

~~SECRET~~

August 1958

The Current Lead Situation
in the USSR

The output of lead metal in the USSR in 1957 is estimated to have been about 277,000 tons (Table 1).^{*} This output, which was nearly two and one-half times the 1950 output and represented 55% of the total production of the Sino-Soviet Bloc, accounted for 11% of the world's output of lead in that year. (Tables 1 and 2.)

The Sixth Five Year Plan (1956-60) called for an increase of 142% of 1955, which if fulfilled would have resulted in a 1960 production of nearly 370,000 tons. Inasmuch as Soviet officials have complained that the development of the ore base for lead has not kept pace with the expansion of smelter capacity, it is questionable whether the 1960 goal would have been achieved. Revised goals under the new Seven Year Plan (1959-1965) have not been announced as yet, but there is no reason to doubt that increases in nonferrous metal production, including lead, will continue to be stressed as they have been since the end of World War II.

Soviet lead reserves are probably adequate to support an expanding industry for an indefinite period. According to the Soviet Minister of Geology, the USSR has the largest reserves of lead in the world. ~~X~~

Some support for this statement may be derived from the announcements made from time to time regarding the discovery of new lead deposits in the USSR. ~~X~~ Unfortunately, however, details on the ore content and

^{*} Metric tons are referred to throughout this report.

~~SECRET~~

~~SECRET~~

geology of such deposits are seldom revealed; and there is some evidence that these, like some of the older, traditionally exploited deposits of the USSR, may be low-grade, requiring high-cost operations.

Throughout the postwar period until 1957, the trade in lead between the USSR and the Free World consisted almost exclusively of lead imports by the USSR. (Tables 3 and 4.) In 1957, however, although the USSR continued to import significant quantities of lead from the Free World, exports of lead to the Free World exceeded imports. There has been virtually no other significant trade in lead between the Free World and other Bloc countries.

Although the USSR's trade in lead is relatively limited, there is little reason to doubt that this trade probably could be expanded with any given country if the Soviet Union should determine that such expansion was politically or economically expedient. Perhaps indicative of political expediency is the trade agreement for 1958 signed by Bolivia and the USSR. The agreement stipulates that Bolivia shall send lead and other nonferrous metals to the USSR in exchange for Soviet metallurgical and oil industry equipment. ~~X~~ The USSR has also agreed to provide the specialists necessary to install the equipment and to instruct the Bolivians in its use.

In order to increase the production of lead in the USSR, attempts are being made to increase the technical efficiency of metal recovery. For example, losses in tailings are being reduced; ~~X~~ and it is even

~~SECRET~~

possible that some of the tailings accumulated in the postwar period are being reprocessed. ~~X~~ In addition, numerous accounts have appeared in the Soviet press about the successful substitution of plastics for lead. ~~X~~ The success of this particular program cannot be evaluated from available information, but a Soviet magazine stated that during the Seven Year Plan, 532,000 tons of lead would be saved in the cable industry through the substitution of plastics for lead. ~~X~~

Although the Bloc has been short of lead throughout the postwar period, the shift in 1957 from being a net importer to a net exporter is believed to be significant rather than incidental. Increased domestic output, depressed internal demands resulting from substituting plastics and other materials for lead, and a continuing need for foreign exchange suggest that exports of lead from the Bloc to the Free World will continue. Moreover, it is also believed that by the early 1960's Bloc exports of lead to the Free World probably will be at a substantially higher level than that of 1957.